

NOTICE

DEVELOPMENT SERVICES DEPARTMENT

CITY OF SAN DIEGO - 1222 FIRST AVENUE, M.S. 501, SAN DIEGO, CALIFORNIA 92101

DATE: October 1, 2009

TO: Distribution

FROM: Facilities Financing • City Planning & Community Investment

SUBJECT: Development Fee Deferrals

AN ORDINANCE REVISING THE SAN DIEGO MUNICIPAL CODE BY AMENDING AND ADDING PROVISIONS RELATING TO FACILITIES BENEFIT ASSESSMENTS (FBA) AND DEVELOPMENT IMPACT FEES (DIF)

Effective November 10, 2009, the San Diego City Council has approved an ordinance (O-19893) that allows for the deferral of Facilities Benefit Assessments (FBA) and Development Impact Fees (DIF). A Fee Deferral Agreement must be processed by the applicant and, properly executed, duly recorded, and the applicable administrative fee paid to defer the collection of FBA or DIF for a maximum period of two years, or until request for Final Inspection, *whichever is shorter*. The Final Inspection shall not be scheduled until the applicable FBA or DIF are paid.

Affordable housing units will be eligible for the FBA or DIF deferral indefinitely. There will be no deferral for the Regional Transportation Congestion Improvement Program (RTCIP) fees.

FACILITIES BENEFIT ASSESSMENTS (FBA)

The fee deferral program for FBA will be in effect for a duration of two years from the date of ordinance implementation (termination date 11/09/2011).

FBA, including all annual inflationary rate increases, due shall be as set forth in the fee schedule in effect when the Fee Deferral Agreement is executed by the City, or the fees approved by the City Council for a subsequent update of the public facilities financing plan, *whichever fee is lower*.

DEVELOPMENT IMPACT FEES (DIF)

The DIF fee deferral program will continue indefinitely.

DIF due shall be the amount in effect when the Fee Deferral Agreement is executed by the City, *plus an automatic increase effective July 1st of each year*.

The DIF shall be based on the one-year change (from March to March) in the Los Angeles Construction Cost Index as published monthly in the Engineering News Record.